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Adoption of the report of the Committee on its forty-sixth session

Draft report

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Addendum

Proposed strategic framework for the period 2008-2009

(Item 3(b))

Programme 10
Trade and development

1. At its 13th meeting, on 24 August 2006, the Committee for Programme and Coordination considered programme 10, Trade and development, of the proposed biennial programme plan (A/61/6 (Prog. 10)).

2. The representative of the Secretary-General introduced the programme and responded to queries raised during the Committee's consideration of the programme.

Discussion

3. Support was expressed for the programme of work of the United Nations Conference on Trade and Development (UNCTAD) and the International Trade Centre UNCTAD/WTO (ITC), which was in accordance with the São Paulo Consensus. The quality of the overall orientation of the programme presented in the proposed biennial programme plan was commended.

4. The view was expressed that the important roles of UNCTAD and ITC through their subprogrammes were recognized. It was noted that those subprogrammes would, inter alia, create better conditions for global trade of developing countries, assist their integration in the world economy and tackle poverty in a manner that enhanced the development opportunities offered by the globalization process, while

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helping to shape international economic relations in the twenty-first century. The role of UNCTAD as the focal point in the United Nations for issues in the areas of finance, technology, investment and sustainable development was also commended. The technical assistance to be rendered to developing countries and countries with economies in transition under subprogrammes 2, 3, 4 and 6 was welcomed.

5. Support was expressed for strengthening the capacity of UNCTAD and its work in three pillars, namely, consensus-building, research and policy analysis, and technical assistance. The view was expressed that the necessary resources should be guaranteed to fulfil its mandate. The view was also expressed that the role of UNCTAD as a think tank should be retained and strengthened. It was indicated that in view of the current situation of WTO negotiations, the Generalized System of Preferences for developing countries must be revitalized. The view was expressed that the programme was too generic, and UNCTAD should strengthen the efforts in promoting South-South trade and fighting forgery and corruption.

6. The efforts of UNCTAD in contributing to the attainment and implementation of the outcomes of recent global conferences were welcomed.

7. The importance of subprogramme 1 was emphasized, in particular in the following areas: capacity-building, poverty reduction and strategies for developing countries' adaptation to the challenges of globalization. Concern was expressed about the effect of globalization on international trade for least developed countries, in particular on the low price of commodities produced by the least developed countries versus the high price of finished products manufactured by developed countries, contributing to poverty conditions. Endorsement was expressed on expected accomplishment (b) of subprogramme 1 with regard to progress towards debt sustainability in developing countries. Support was expressed for the Working Party's view that adequate resources be provided to strengthen UNCTAD activities in its support for the development of the Palestinian economy.

8. With regard to subprogramme 2, support was expressed for the role of UNCTAD in promoting a better understanding of policies that would attract and benefit from foreign direct investment and technology transfer and the development dimension of international agreements. The view was expressed that the work of UNCTAD would foster improved opportunities for enterprises in developing countries and countries with economies in transition to enhance their competitiveness. The role of UNCTAD with regard to the statistics on foreign direct investment worldwide for Africa was noted and the view was expressed that the same should be done for other regions. The importance of the additional words "through effective policy and prudential regulation for expansion of the insurance sector" in expected accomplishment (c) was also noted. The view was expressed that the programme should also aim to strengthen coordination among policymakers to avoid duplication.

9. As to subprogramme 3, the view was expressed that it was important for developing countries to have more access to markets in the developed countries, in particular in agriculture, and it was imperative that developed countries facilitate the process. The view was expressed that the initiative undertaken in paragraph 12 of annex III to conference room paper E/AC.51/2006/CRP.1, regarding the Trade and Development Index, was welcomed, and consideration should be given to improving it, perhaps by increasing the number of countries and factors that were included in the basket of consideration so as to ensure they were not too limited. The view was

expressed that the commodity sector of subprogramme 3 was important to developing countries as well as the efforts to integrate commodity production into development. A query was raised as to how UNCTAD contributed to the stability of commodity prices.

10. Support was expressed for the role of subprogramme 4 in improving the competitiveness in international trade of developing countries and countries with economies in transition, including through the use of information technology and human resources development, which might also have high value in regional groups such as MERCOSUR (Common Market of the South) and the South American Community of Nations.

11. The movement of "Development of Africa" from subprogramme 1 to subprogramme 5 was welcomed. Support was expressed for making least developed countries and Africa a priority. The importance of the request of the Working Party "to ensure the integrity of the mandates of all the subprogrammes" was expressed as well as the need to strengthen the development dimension in the implementation of the programmes to ensure a development focus in new initiatives. In that regard, the view was expressed that UNCTAD should have consulted African Governments beforehand. The division of subprogramme 5 into three sections, namely, Development of Africa, Least developed countries and Special programmes was supported, since the three sections promoted their social and economic development.

12. The view was expressed that countries in conflict and post-conflict situations should be taken into consideration in subprogramme 5. A disappointment was also expressed with the programme, which was the sine qua non for developing countries, concerning the lack of trade innovation for small island developing States. The continued focus on Africa and the New Partnership for Africa's Development was welcomed, especially bearing in mind the specific challenges African countries faced in achieving the Millennium Development Goals. The importance was emphasized of adding the sentence, "It will contribute to a better understanding of coherence between international economic rules and national policies and development strategies" in paragraph 10.13 of the strategy.

13. The input made by the Working Party on the trade and development programmes, as reflected in annex III to conference room paper E/AC.51/2006/CRP.1, was supported.

14. Support was expressed for subprogramme 6, in particular the objective of ITC, inter alia, to foster sustainable human development and contribute to achieving the Millennium Development Goals in the developing and transition economies through trade and international business development. The view was expressed that the involvement of the CARICOM (Caribbean Community) secretariat, the Caribbean Regional Negotiating Machinery and the Caribbean Development and Cooperation Committee, whenever appropriate, was anticipated.

Conclusions and recommendations

15. **The Committee recommended that the General Assembly approve the programme narrative of programme 10, Trade and development, of the proposed biennial programme plan, subject to the following modifications:**

Overall orientation

New paragraph

After paragraph 10.2, insert new paragraph 10.3 as follows and renumber the successive paragraphs accordingly to the end:

"10.3 The work of UNCTAD in its three pillars, namely, research and analysis, consensus-building and technical cooperation, will be strengthened. The independent analytical capacity of UNCTAD will be enhanced to ensure the high quality of research and analysis necessary to address key issues of importance to developing countries. The results of such analysis will support and reinforce its activities in consensus-building and technical cooperation."

Old paragraph 10.3

In the first sentence, replace the words "the eleventh session of UNCTAD" with "UNCTAD XI,".

Delete the word "is" before the words "the examination" and the word "which" after the words "world economy".

Replace the word "principle" with the word "principal".

Add a new sentence before the last sentence to read, "The analytical work on least developed countries will be more effectively mainstreamed."

In the last sentence, replace the word "aforementioned" with the word "foregoing".

Old paragraph 10.6

Replace the first two sentences with the following:

"In an effort to respond better to changing global demand and the required reform of the United Nations, UNCTAD will explore ways and means to contribute effectively to the work of the Peacebuilding Commission, with a view to integrating relevant countries, particularly post-conflict ones, in the global economy. UNCTAD will attempt first of all to take an organic approach that would enable it to address immediately and coherently issues of importance for developing countries facing the global challenges of today. The subprogramme for the development of Africa, least developed countries and countries in special situations intends to strengthen the subprogramme by maximizing the synergies of research and policy analysis and by taking a coherent approach to the issues of concern to those countries."

At the end of the paragraph, add the following phrase: "with a view to enhancing its research and analysis, while maintaining its intellectual integrity and independence".

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Subprogramme 1
Globalization, interdependence and development

Objective of the Organization

Replace the phrase "poverty reduction" with "hunger and poverty eradication".

Expected accomplishments of the Secretariat

In expected accomplishment (a), replace the phrase "poverty reduction" with "hunger and poverty eradication".

At the end of expected accomplishment (d), add the following: "by strengthening UNCTAD activities in this field through the provision of adequate resources".

Subprogramme 2
Investment, enterprise and technology

Expected accomplishments of the Secretariat

In expected accomplishment (c), after the words "competitiveness through", insert the words "effective policy and prudential regulation for expansion of the insurance sector,".

Indicators of achievement

In indicator (c), replace the word "percentage" with the word "number" and reletter as "(c) (i)".

Add new indicator (c) (ii) to read: "(ii) Increased number of countries indicating effective policy advice and assistance provided by UNCTAD for improving insurance legislation, regulation and sector growth".

Strategy

Old paragraph 10.9

Replace the phrase "and to promote the transfer of technology and innovation" at the end of the paragraph with the phrase "to promote the transfer of technology and innovation and, in the field of insurance, to increase the capacity of developing countries to effectively regulate and upgrade the insurance sector."

Subprogramme 3
International trade

Expected accomplishments of the Secretariat

In expected accomplishment (a), insert the phrase "including non-WTO members" before the words "to analyse".

Indicators of achievement

In indicator (a), insert the phrase "including non-WTO members" before the word "actively".

Replace indicator (b) (ii) as follows: "Increased number of countries and factors covered by the Trade and Development Index".

In indicator (e), replace the word "action" with the words "results-oriented actions".

Strategy

Old paragraph 10.10

In the third sentence, add the words "in order" after the words "monitored and analysed".

In the fourth sentence, replace the words "capacities and competitiveness" with the words "capacities, competitiveness and diversification".

In the last sentence, add the words "or improvement" after the word "elaboration" and add the phrase "including the Global System of Trade Preferences among Developing Countries (GSTP)" after the words "trade preferences".

Subprogramme 4
Services infrastructure for development, trade efficiency and human resources development

Indicators of achievement

Reletter indicator (c) as "(c) (i)".

Add new indicator (c) (ii) to read:

> **"(c) (ii) Number of government officials trained who consider that paragraph 166 courses (training courses on key issues on the international economic agenda) have significantly contributed to the understanding of key issues on the international economic agenda".**

Strategy

Old paragraph 10.11

After the second sentence, add the following new sentence: "UNCTAD assistance to landlocked countries and their transit neighbours will be strengthened, especially policy advice on transit transport agreements and infrastructure."

After the words "In particular", replace the word "it" with the words "the subprogramme".

In item (e), replace the word "building" with the word "supporting".

Add item (f) to read "(f) strengthening, through increased in-house cooperation and further integration of the work of the train-for-trade programme, the virtual institute, the training courses on key issues on the international economic agenda and other new initiatives."

Subprogramme 5
Least developed countries, Africa and special programmes

Revise the title of subprogramme 5 and its subsection headings to read:

"Subprogramme 5. Africa, least developed countries and special programmes

A. Development of Africa

B. Least developed countries

C. Special programmes".

A. Least developed countries

Reletter subtitle A as subtitle B and retain the name of the subtitle ("Least developed countries").

Shift the logframe (Objective of the Organization, Expected accomplishments of the Secretariat and Indicators of achievement) of old subtitle A to appear below the new titles.

Expected accomplishments of the Secretariat

At the end of expected accomplishment (b), add "and the building of capacities for country ownership and implementation of the Action Matrices of the enhanced Integrated Framework".

Indicators of achievement

In indicator (b), add the word "enhanced" before the words "Integrated Framework".

B. Development of Africa

Reletter subtitle B as subtitle A and retain the name of the subtitle ("Development of Africa").

Shift the logframe (Objective of the Organization, Expected accomplishments of the Secretariat and Indicators of achievement) of old subtitle B to appear below the new titles.

Strategy

Old paragraph 10.12

Renumber the paragraph as 10.14.

Replace the first sentence with "The subprogramme is under the responsibility of the Division for Africa, Least Developed Countries and Special Programmes." In the second sentence, replace the words "through research" with the words "by carrying out research", and add the word "providing" before the words "technical assistance".

Strategy

Old paragraph 10.13

In the first sentence, replace the words "for Least Developed Countries, Africa and Special Programmes" with the words "Africa, Least Developed Countries and Special Programmes". In the second sentence, replace the word "It" with the words "The subprogramme". Add a new sentence before the last one to read "It will contribute to a better understanding of coherence between international economic rules and national policies and development strategies."

C. Special programmes

Expected accomplishments of the Secretariat

Replace expected accomplishment (a) as follows:

"(a) Enhanced international cooperation to implement the Almaty Programme of Action: addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries, and to improve the effective participation of landlocked developing countries, as well as other groups of countries mentioned in paragraph 33 of the São Paulo Consensus, in the global trading system".

Strategy

Old paragraph 10.14

Renumber as paragraph 10.15.

In the first sentence, replace the words "Least Developed Countries, Africa" with the words "Africa, Least Developed Countries".

Add the following sentence at the end of the paragraph: "The subprogramme, through mainstreaming, will enhance the work on structurally weak, vulnerable and small economies, as stated in paragraph 33 of the São Paulo Consensus."